HOUSE BILL 2948

State of Washington

56th Legislature

2000 Regular Session

By Representative Dunn

Read first time 01/24/2000. Referred to Committee on Appropriations.

- 1 AN ACT Relating to replacing motor vehicle excise tax distributions
- 2 to local governments; amending RCW 84.52.043, 84.52.065, 70.05.125,
- 3 82.14.200, 82.14.210, 82.14.310, 82.14.320, 82.14.330, and 82.14.380;
- 4 adding a new section to chapter 43.79 RCW; repealing RCW 84.52.067; and
- 5 providing an effective date.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 **Sec. 1.** RCW 84.52.043 and 1995 c 99 s 3 are each amended to read 8 as follows:
- 9 Within and subject to the limitations imposed by RCW 84.52.050 as 10 amended, the regular ad valorem tax levies upon real and personal 11 property by the taxing districts hereafter named shall be as follows:
- 12 (1) Levies of the senior taxing districts shall be as follows: (a)
- 13 The levy by the state shall not exceed three dollars and sixty cents
- 14 per thousand dollars of assessed value adjusted to the state equalized
- 15 value in accordance with the indicated ratio fixed by the state
- 16 department of revenue ((to be used exclusively for the support of the
- 17 common schools)); (b) the levy by any county shall not exceed one
- 18 dollar and eighty cents per thousand dollars of assessed value; (c) the
- 19 levy by any road district shall not exceed two dollars and twenty-five

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cents per thousand dollars of assessed value; and (d) the levy by any 1 city or town shall not exceed three dollars and thirty-seven and one-2 half cents per thousand dollars of assessed value. However any county 3 4 is hereby authorized to increase its levy from one dollar and eighty 5 cents to a rate not to exceed two dollars and forty-seven and one-half cents per thousand dollars of assessed value for general county 6 7 purposes if the total levies for both the county and any road district 8 within the county do not exceed four dollars and five cents per 9 thousand dollars of assessed value, and no other taxing district has 10 its levy reduced as a result of the increased county levy.

- (2) The aggregate levies of junior taxing districts and senior 11 taxing districts, other than the state, shall not exceed five dollars 12 and ninety cents per thousand dollars of assessed valuation. The term 13 14 "junior taxing districts" includes all taxing districts other than the state, counties, road districts, cities, towns, port districts, and public utility districts. The limitations provided in this subsection 16 shall not apply to: (a) Levies at the rates provided by existing law by or for any port or public utility district; (b) excess property tax 18 19 levies authorized in Article VII, section 2 of the state Constitution; (c) levies for acquiring conservation futures as authorized under RCW 84.34.230; (d) levies for emergency medical care or emergency medical services imposed under RCW 84.52.069; (e) levies to finance affordable 22 housing for very low-income housing imposed under RCW 84.52.105; and 23 24 (f) the portions of levies by metropolitan park districts that are protected under RCW 84.52.120.
- 26 Sec. 2. RCW 84.52.065 and 1991 sp.s. c 31 s 16 are each amended to 27 read as follows:
- 28 (1) Subject to the limitations in RCW 84.55.010, in each year the 29 state shall levy for collection in the following year ((for the support of common schools of the state)) a tax of three dollars and sixty cents 30 per thousand dollars of assessed value upon the assessed valuation of 31 all taxable property within the state adjusted to the state equalized 32 33 value in accordance with the indicated ratio fixed by the state 34 department of revenue.
- (2) During the fiscal year ending June 30, 2001, revenue from the 35 levy under this section shall be deposited as provided in this 36 37 subsection.

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- 1 (a) \$13,400,000 to the county sales and use tax equalization 2 account created in RCW 82.14.200;
- 3 (b) \$44,200,000 to the municipal sales and use tax equalization 4 account created in RCW 82.14.210;
- 5 (c) \$48,200,000 to the city police and fire protection assistance 6 account created under section 3 of this act;
- 7 (d) \$30,600,000 to the county criminal justice assistance account 8 created in RCW 82.14.310;
- 9 (e) \$6,200,000 to the municipal criminal justice assistance account 10 for distribution under RCW 82.14.320;
- (f) \$6,200,000 to the municipal criminal justice assistance account for distribution under RCW 82.14.330;
- 13 (g) \$20,100,000 to the county public health account created in RCW 14 70.05.125;
- 15 (h) \$8,700,000 to the distressed county assistance account created 16 in RCW 82.14.380.
- (3) During fiscal years ending after June 30, 2001, revenue from the levy under this section shall be deposited in the accounts specified in subsection (2) of this section. The amount deposited in each account each year shall equal the amount deposited during the previous year increased by the fiscal growth factor as defined in RCW 43.135.025.
- 23 (4) Revenue from the levy under this section in excess of amounts
 24 deposited under subsections (2) and (3) of this section shall be
 25 deposited in the state general fund for the support of the common
 26 schools.
- 27 <u>(5)</u> As used in this section, "the support of common schools" 28 includes the payment of the principal and interest on bonds issued for 29 capital construction projects for the common schools.
- NEW SECTION. Sec. 3. A new section is added to chapter 43.79 RCW to read as follows:
- The city police and fire protection assistance account is created in the state treasury. On the first day of the months of January,
- 34 April, July, and October of each year, the treasurer shall distribute
- 35 moneys in the account to the cities and towns ratably on the basis of
- 36 population as last determined by the office of financial management.
- 37 When so apportioned, the amount payable to each city shall be used by

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- 1 the city or town for the purposes of police and fire protection in the 2 city or town, and not otherwise.
- 3 **Sec. 4.** RCW 70.05.125 and 1998 c 266 s 1 are each amended to read 4 as follows:
- (1) The county public health account is created in the state 5 treasury. Funds deposited in the county public health account shall be 6 7 distributed by the state treasurer to each local public health 8 jurisdiction based upon amounts certified to it by the department of 9 community, trade, and economic development in consultation with the 10 Washington state association of counties. ((The account shall include funds distributed under RCW 82.44.110 and 82.14.200(8) and such funds 11 12 as are appropriated to the account from the health services account under RCW 43.72.900, the public health services account under RCW 13 14 43.72.902, and such other funds as the legislature may appropriate to 15 it.))
- (2)(a) The director of the department of community, trade, and economic development shall certify the amounts to be distributed to each local public health jurisdiction using 1995 as the base year of actual city contributions to local public health.
 - (b) Only if funds are available and in an amount no greater than available funds under RCW 82.14.200(8), the department of community, trade, and economic development shall adjust the amount certified under (a) of this subsection to compensate for any annexation of an area with fifty thousand residents or more to any city as a result of a petition during calendar year 1996 or 1997, or for any city that became newly incorporated as a result of an election during calendar year 1994 or 1995. The amount to be adjusted shall be equal to the amount which otherwise would have been lost to the health jurisdiction due to the annexation or incorporation as calculated using the jurisdiction's 1995 funding formula.
- 31 (c) The county treasurer shall certify the actual 1995 city 32 contribution to the department. Funds in excess of the base shall be 33 distributed proportionately among the health jurisdictions based on 34 incorporated population figures as last determined by the office of 35 financial management.
- 36 (3) Moneys distributed under this section shall be expended 37 exclusively for local public health purposes.

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Sec. 5. RCW 82.14.200 and 1998 c 321 s 8 (Referendum Bill No. 49) 1 are each amended to read as follows: 2

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There is created in the state treasury a special account to be known as the "county sales and use tax equalization account." ((Into this account shall be placed a portion of all motor vehicle excise tax receipts as provided in RCW 82.44.110.)) Funds in this account shall be allocated by the state treasurer according to the following procedure:

- 9 (1) Prior to April 1st of each year the director of revenue shall inform the state treasurer of the total and the per capita levels of revenues for the unincorporated area of each county and the state-wide 11 weighted average per capita level of revenues for the unincorporated 12 areas of all counties imposing the sales and use tax authorized under RCW 82.14.030(1) for the previous calendar year. 14
 - (2) At such times as distributions are made under ((RCW 82.44.150)) section 3 of this act, the state treasurer shall apportion to each county imposing the sales and use tax under RCW 82.14.030(1) at the maximum rate and receiving less than one hundred fifty thousand dollars from the tax for the previous calendar year, an amount from the county sales and use tax equalization account sufficient, when added to the amount of revenues received the previous calendar year by the county, to equal one hundred fifty thousand dollars.

The department of revenue shall establish a governmental price 23 24 index as provided in this subsection. The base year for the index 25 shall be the end of the third quarter of 1982. Prior to November 1, 26 1983, and prior to each November 1st thereafter, the department of 27 revenue shall establish another index figure for the third quarter of The department of revenue may use the implicit price 28 29 deflators for state and local government purchases of goods and 30 services calculated by the United States department of commerce to 31 establish the governmental price index. Beginning on January 1, 1984, and each January 1st thereafter, the one hundred fifty thousand dollar 32 base figure in this subsection shall be adjusted in direct proportion 33 to the percentage change in the governmental price index from 1982 34 35 until the year before the adjustment. Distributions made under this subsection for 1984 and thereafter shall use this adjusted base amount 36 37 figure.

(3) Subsequent to the distributions under subsection (2) of this 38 39 section and at such times as distributions are made under ((RCW

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82.44.150)) subsection (2) of this section, the state treasurer shall 1 apportion to each county imposing the sales and use tax under RCW 2 82.14.030(1) at the maximum rate and receiving less than seventy 3 4 percent of the state-wide weighted average per capita level of revenues for the unincorporated areas of all counties as determined by the 5 department of revenue under subsection (1) of this section, an amount 6 7 from the county sales and use tax equalization account sufficient, when 8 added to the per capita level of revenues for the unincorporated area 9 received the previous calendar year by the county, to equal seventy 10 percent of the state-wide weighted average per capita level of revenues the unincorporated areas of all counties determined under 11 subsection (1) of this section, subject to reduction under subsections 12 13 (6) and (7) of this section. When computing distributions under this 14 section, any distribution under subsection (2) of this section shall be received from the tax 15 considered revenues imposed under RCW 16 82.14.030(1) for the previous calendar year.

(4) Subsequent to the distributions under subsection (3) of this section and at such times as distributions are made under ((RCW 82.44.150)) subsection (2) of this section, the state treasurer shall apportion to each county imposing the sales and use tax under RCW 82.14.030(2) at the maximum rate and receiving a distribution under subsection (2) of this section, a third distribution from the county sales and use tax equalization account. The distribution to each qualifying county shall be equal to the distribution to the county under subsection (2) of this section, subject to the reduction under subsections (6) and (7) of this section. To qualify for the total distribution under this subsection, the county must impose the tax under RCW 82.14.030(2) for the entire calendar year. Counties imposing the tax for less than the full year shall qualify for prorated allocations under this subsection proportionate to the number of months of the year during which the tax is imposed.

(5) Subsequent to the distributions under subsection (4) of this 32 33 section and at such times as distributions are made under ((RCW 34 82.44.150)) subsection (2) of this section, the state treasurer shall 35 apportion to each county imposing the sales and use tax under RCW 36 82.14.030(2) at the maximum rate and receiving a distribution under 37 subsection (3) of this section, a fourth distribution from the county 38 sales and use tax equalization account. The distribution to each 39 qualifying county shall be equal to the distribution to the county

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under subsection (3) of this section, subject to the reduction under subsections (6) and (7) of this section. To qualify for the distributions under this subsection, the county must impose the tax under RCW 82.14.030(2) for the entire calendar year. Counties imposing the tax for less than the full year shall qualify for prorated allocations under this subsection proportionate to the number of months of the year during which the tax is imposed.

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- (6) Revenues distributed under subsections (2) through (5) of this section in any calendar year shall not exceed an amount equal to seventy percent of the state-wide weighted average per capita level of revenues for the unincorporated areas of all counties during the previous calendar year. If distributions under subsections (3) through (5) of this section cannot be made because of this limitation, then distributions under subsections (3) through (5) of this section shall be reduced ratably among the qualifying counties.
- 16 (7) If inadequate revenues exist in the county sales and use tax 17 equalization account to make the distributions under subsections (3) through (5) of this section, then the distributions under subsections 18 19 (3) through (5) of this section shall be reduced ratably among the 20 qualifying counties. At such time during the year as additional funds accrue to the county sales and use tax equalization account, additional 21 distributions shall be made under subsections (3) through (5) of this 22 23 section to the counties.
 - (8) If the level of revenues in the county sales and use tax equalization account exceeds the amount necessary to make the distributions under subsections (2) through (5) of this section, at such times as distributions are made under ((RCW 82.44.150)) subsection (2) of this section, the state treasurer shall apportion an amount to the county public health account created in RCW 70.05.125 equal to the adjustment under RCW 70.05.125(2)(b).
- (9) If the level of revenues in the county sales and use tax equalization account exceeds the amount necessary to make the distributions under subsections (2) through (5) and (8) of this section, then the additional revenues shall be credited and transferred as follows:
- 36 (a) Fifty percent to the public facilities construction loan 37 revolving account under RCW 43.160.080; and
- 38 (b) Fifty percent to the distressed county public facilities 39 construction loan account under RCW 43.160.220, or so much thereof as

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- 1 will not cause the balance in the account to exceed twenty-five million
- 2 dollars. Any remaining funds shall be deposited into the public
- 3 facilities construction loan revolving account.
- 4 **Sec. 6.** RCW 82.14.210 and 1996 c 64 s 1 are each amended to read 5 as follows:
- 6 There is created in the state treasury a special account to be 7 known as the "municipal sales and use tax equalization account."
- 8 ((Into this account shall be placed such revenues as are provided under
- 9 RCW 82.44.110(1)(e).)) Funds in this account shall be allocated by the 10 state treasurer according to the following procedure:
- 11 (1) Prior to January 1st of each year the department of revenue 12 shall determine the total and the per capita levels of revenues for
- 13 each city and the state-wide weighted average per capita level of
- 14 revenues for all cities imposing the sales and use tax authorized under
- 15 RCW 82.14.030(1) for the previous calendar year.
- 16 (2) At such times as distributions are made under ((RCW 82.44.150))
- 17 <u>section 3 of this act</u>, the state treasurer shall apportion to each city
- 18 not imposing the sales and use tax under RCW 82.14.030(2) an amount
- 19 from the municipal sales and use tax equalization account equal to the
- 20 amount distributed to the city under ((RCW 82.44.155)) section 3 of
- 21 this act, multiplied by forty-five fifty-fifths.
- 22 (3) Subsequent to the distributions under subsection (2) of this
- 23 section, and at such times as distributions are made under ((RCW)
- 24 82.44.150)) <u>subsection (2) of this section</u>, the state treasurer shall
- 25 apportion to each city imposing the sales and use tax under ${\tt RCW}$
- 26 82.14.030(1) at the maximum rate and receiving less than seventy
- 27 percent of the state-wide weighted average per capita level of revenues
- 28 for all cities as determined by the department of revenue under
- 29 subsection (1) of this section, an amount from the municipal sales and
- 30 use tax equalization account sufficient, when added to the per capita
- 31 level of revenues received the previous calendar year by the city, to
- 32 equal seventy percent of the state-wide weighted average per capita
- 33 level of revenues for all cities determined under subsection (1) of
- 34 this section, subject to reduction under subsection (6) of this
- 35 section.
- 36 (4) Subsequent to the distributions under subsection (3) of this
- 37 section, and at such times as distributions are made under ((RCW
- 38 82.44.150)) subsection (2) of this section, the state treasurer shall

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apportion to each city imposing the sales and use tax under RCW 82.14.030(2) at the maximum rate and receiving a distribution under 2 subsection (3) of this section, a third distribution from the municipal 3 4 sales and use tax equalization account. The distribution to each qualifying city shall be equal to the distribution to the city under 5 subsection (3) of this section, subject to the reduction under 6 7 subsection (6) of this section. To qualify for the distributions under 8 this subsection, the city must impose the tax under RCW 82.14.030(2) 9 for the entire calendar year. Cities imposing the tax for less than 10 the full year shall qualify for prorated allocations under this subsection proportionate to the number of months of the year during 11 which the tax is imposed. 12

(5) For a city with an official incorporation date after January 1, 1990, municipal sales and use tax equalization distributions shall be made according to the procedures in this subsection. Municipal sales and use tax equalization distributions to eligible new cities shall be made at the same time as distributions are made under subsections (3) and (4) of this section. The department of revenue shall follow the estimating procedures outlined in this subsection until the new city has received a full year's worth of revenues under RCW 82.14.030(1) as of the January municipal sales and use tax equalization distribution.

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- (a) Whether a newly incorporated city determined to receive funds under this subsection receives its first equalization payment at the January, April, July, or October municipal sales and use tax equalization distribution shall depend on the date the city first imposes the tax authorized under RCW 82.14.030(1).
- (i) A newly incorporated city imposing the tax authorized under RCW 82.14.030(1) effective as of January 1st shall be eligible to receive funds under this subsection beginning with the April municipal sales and use tax equalization distribution of that year.
- (ii) A newly incorporated city imposing the tax authorized under RCW 82.14.030(1) effective as of February 1st, March 1st, or April 1st shall be eligible to receive funds under this subsection beginning with the July municipal sales and use tax equalization distribution of that year.
- (iii) A newly incorporated city imposing the tax authorized under RCW 82.14.030(1) effective as of May 1st, June 1st, or July 1st shall be eligible to receive funds under this subsection beginning with the

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- 1 October municipal sales and use tax equalization distribution of that 2 year.
- 3 (iv) A newly incorporated city imposing the tax authorized under 4 RCW 82.14.030(1) effective as of August 1st, September 1st, or October 5 1st shall be eligible to receive funds under this subsection beginning 6 with the January municipal sales and use tax equalization distribution 7 of the next year.
- 8 (v) A newly incorporated city imposing the tax authorized under RCW 9 82.14.030(1) effective as of November 1st or December 1st shall be eligible to receive funds under this subsection beginning with the April municipal sales and use tax equalization distribution of the next year.
- 13 (b) For purposes of calculating the amount of funds the new city 14 should receive under this subsection, the department of revenue shall:
- (i) Estimate the per capita amount of revenues from the tax authorized under RCW 82.14.030(1) that the new city would have received had the city received revenues from the tax the entire calendar year;
- (ii) Calculate the amount provided under subsection (3) of this section based on the per capita revenues determined under (b)(i) of this subsection;
- (iii) Prorate the amount determined under (b)(ii) of this subsection by the number of months the tax authorized under RCW 82.14.030(1) is imposed.
 - (c) A new city imposing the tax under RCW 82.14.030(2) at the maximum rate and receiving a distribution calculated under (b) of this subsection shall receive another distribution from the municipal sales and use tax equalization account. This distribution shall be equal to the calculation made under (b)(ii) of this subsection, prorated by the number of months the city imposes the tax authorized under RCW 82.14.030(2) at the full rate.
- 31 (d) The department of revenue shall advise the state treasurer of 32 the amounts calculated under (b) and (c) of this subsection and the 33 state treasurer shall distribute these amounts to the new city from the 34 municipal sales and use tax equalization account subject to the 35 limitations imposed in subsection (6) of this section.
- (e) Revenues estimated under this subsection shall not affect the calculation of the state-wide weighted average per capita level of revenues for all cities made under subsection (1) of this section.

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- (6) If inadequate revenues exist in the municipal sales and use tax 1 equalization account to make the distributions under subsection (3), 2 (4), or (5) of this section, then the distributions under subsections 3 4 (3), (4), and (5) of this section shall be reduced ratably among the 5 qualifying cities. At such time during the year as additional funds accrue to the municipal sales and use tax equalization account, 6 7 additional distributions shall be made under subsections (3), (4), and 8 (5) of this section to the cities.
- 9 (7) If the level of revenues in the municipal sales and use tax 10 equalization account exceeds the amount necessary to make the distributions under subsections (2) through (5) of this section, then 11 12 the additional revenues shall be apportioned among the several cities 13 within the state ratably on the basis of population as last determined by the office of financial management: 14 PROVIDED, That no such 15 distribution shall be made to those cities receiving a distribution under subsection (2) of this section. 16
- 17 **Sec. 7.** RCW 82.14.310 and 1999 c 309 s 920 are each amended to 18 read as follows:
- 19 (1) The county criminal justice assistance account is created in the state treasury. Beginning in fiscal year 2000, the state treasurer 20 21 shall transfer into the county criminal justice assistance account from 22 the general fund the sum of twenty-three million two hundred thousand 23 dollars divided into four equal deposits occurring on July 1, October 24 1, January 1, and April 1. For each fiscal year thereafter, the state 25 treasurer shall increase the total transfer by the fiscal growth factor, as defined in RCW 43.135.025, forecast for that fiscal year by 26 the office of financial management in November of the preceding year. 27
 - (2) The moneys deposited in the county criminal justice assistance account for distribution under this section, less any moneys appropriated for purposes under subsection (4) of this section, shall be distributed at such times as distributions are made under ((RCW 82.44.150)) section 3 of this act and on the relative basis of each county's funding factor as determined under this subsection.
 - (a) A county's funding factor is the sum of:

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- 35 (i) The population of the county, divided by one thousand, and 36 multiplied by two-tenths;
- 37 (ii) The crime rate of the county, multiplied by three-tenths; and

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- 1 (iii) The annual number of criminal cases filed in the county 2 superior court, for each one thousand in population, multiplied by 3 five-tenths.
 - (b) Under this section and RCW 82.14.320 and 82.14.330:

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- 5 (i) The population of the county or city shall be as last 6 determined by the office of financial management;
- 7 (ii) The crime rate of the county or city is the annual occurrence 8 of specified criminal offenses, as calculated in the most recent annual 9 report on crime in Washington state as published by the Washington 10 association of sheriffs and police chiefs, for each one thousand in 11 population;
- (iii) The annual number of criminal cases filed in the county superior court shall be determined by the most recent annual report of the courts of Washington, as published by the office of the administrator for the courts;
 - (iv) Distributions and eligibility for distributions in the 1989-91 biennium shall be based on 1988 figures for both the crime rate as described under (ii) of this subsection and the annual number of criminal cases that are filed as described under (iii) of this subsection. Future distributions shall be based on the most recent figures for both the crime rate as described under (ii) of this subsection and the annual number of criminal cases that are filed as described under (iii) of this subsection.
- 24 (3) Moneys distributed under this section shall be expended 25 exclusively for criminal justice purposes and shall not be used to 26 replace or supplant existing funding. Criminal justice purposes are defined as activities that substantially assist the criminal justice 27 system, which may include circumstances where ancillary benefit to the 28 29 civil or juvenile justice system occurs, and which includes (a) 30 domestic violence services such as those provided by domestic violence 31 programs, community advocates, and legal advocates, as defined in RCW 70.123.020, and (b) during the 1999-2001 fiscal biennium, juvenile 32 dispositional hearings relating to petitions for at-risk youth, 33 34 truancy, and children in need of services. Existing funding for purposes of this subsection is defined as calendar year 1989 actual 35 operating expenditures for criminal justice purposes. Calendar year 36 37 1989 actual operating expenditures for criminal justice purposes 38 exclude the following: Expenditures for extraordinary events not 39 likely to reoccur, changes in contract provisions for criminal justice

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1 services, beyond the control of the local jurisdiction receiving the 2 services, and major nonrecurring capital expenditures.

- 3 (4) Not more than five percent of the funds deposited to the county 4 criminal justice assistance account shall be available for 5 appropriations for enhancements to the state patrol crime laboratory 6 system and the continuing costs related to these enhancements. Funds 7 appropriated from this account for such enhancements shall not supplant 8 existing funds from the state general fund.
- 9 Sec. 8. RCW 82.14.320 and 1998 c 321 s 12 (Referendum Bill No. 49)
 10 are each amended to read as follows:
- (1) The municipal criminal justice assistance account is created in 11 12 the state treasury. Beginning in fiscal year 2000, the state treasurer shall transfer into the municipal criminal justice assistance account 13 14 for distribution under this section from the general fund the sum of four million six hundred thousand dollars divided into four equal 15 deposits occurring on July 1, October 1, January 1, and April 1. For 16 each fiscal year thereafter, the state treasurer shall increase the 17 18 total transfer by the fiscal growth factor, as defined in RCW 19 43.135.025, forecast for that fiscal year by the office of financial management in November of the preceding year. 20
- 21 (2) No city may receive a distribution under this section from the 22 municipal criminal justice assistance account unless:
- (a) The city has a crime rate in excess of one hundred twenty-five percent of the state-wide average as calculated in the most recent annual report on crime in Washington state as published by the Washington association of sheriffs and police chiefs;
- (b) The city has levied the tax authorized in RCW 82.14.030(2) at the maximum rate or the tax authorized in RCW 82.46.010(3) at the maximum rate; and
- 30 (c) The city has a per capita yield from the tax imposed under RCW 31 82.14.030(1) at the maximum rate of less than one hundred fifty percent 32 of the state-wide average per capita yield for all cities from such 33 local sales and use tax.
- 34 (3) The moneys deposited in the municipal criminal justice 35 assistance account for distribution under this section, less any moneys 36 appropriated for purposes under subsection (7) of this section, shall 37 be distributed at such times as distributions are made under ((RCW)

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1 82.44.150)) section 3 of this act. The distributions shall be made as 2 follows:

- 3 (a) Unless reduced by this subsection, thirty percent of the moneys 4 shall be distributed ratably based on population as last determined by the office of financial management to those cities eligible under 5 subsection (2) of this section that have a crime rate determined under 6 7 subsection (2)(a) of this section which is greater than one hundred 8 seventy-five percent of the state-wide average crime rate. No city may 9 receive more than fifty percent of any moneys distributed under this 10 subsection (a) but, if a city distribution is reduced as a result of exceeding the fifty percent limitation, the amount not distributed 11 shall be distributed under (b) of this subsection. 12
- 13 (b) The remainder of the moneys, including any moneys not 14 distributed in subsection (2)(a) of this section, shall be distributed 15 to all cities eligible under subsection (2) of this section ratably 16 based on population as last determined by the office of financial 17 management.
- 18 (4) No city may receive more than thirty percent of all moneys 19 distributed under subsection (3) of this section.
 - (5) Notwithstanding other provisions of this section, the distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located.
- 24 25 (6) Moneys distributed under this section shall be expended 26 exclusively for criminal justice purposes and shall not be used to replace or supplant existing funding. Criminal justice purposes are 27 defined as activities that substantially assist the criminal justice 28 system, which may include circumstances where ancillary benefit to the 29 30 civil justice system occurs, and which includes domestic violence 31 services such as those provided by domestic violence programs, community advocates, and legal advocates, as defined in RCW 70.123.020, 32 and publications and public educational efforts designed to provide 33 34 information and assistance to parents in dealing with runaway or at-35 risk youth. Existing funding for purposes of this subsection is defined as calendar year 1989 actual operating expenditures for 36 37 criminal justice purposes. Calendar year 1989 actual operating expenditures for criminal justice purposes exclude the following: 38 39 Expenditures for extraordinary events not likely to reoccur, changes in

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1 contract provisions for criminal justice services, beyond the control 2 of the local jurisdiction receiving the services, and major 3 nonrecurring capital expenditures.

- 4 (7) Not more than five percent of the funds deposited to the 5 municipal criminal justice assistance account shall be available for 6 appropriations for enhancements to the state patrol crime laboratory 7 system and the continuing costs related to these enhancements. Funds 8 appropriated from this account for such enhancements shall not supplant 9 existing funds from the state general fund.
- 10 Sec. 9. RCW 82.14.330 and 1998 c 321 s 13 (Referendum Bill No. 49)
 11 are each amended to read as follows:
- (1) Beginning in fiscal year 2000, the state treasurer shall 12 13 transfer into the municipal criminal justice assistance account for distribution under this section from the general fund the sum of four 14 million six hundred thousand dollars divided into four equal deposits 15 occurring on July 1, October 1, January 1, and April 1. 16 fiscal year thereafter, the state treasurer shall increase the total 17 18 transfer by the fiscal growth factor, as defined in RCW 43.135.025, 19 forecast for that fiscal year by the office of financial management in November of the preceding year. The moneys deposited in the municipal 20 justice assistance account for distribution under this 21 22 section, less any moneys appropriated for purposes under subsection (4) 23 of this section, shall be distributed to the cities of the state as 24 follows:
- Twenty percent appropriated for distribution 25 (a) distributed to cities with a three-year average violent crime rate for 26 each one thousand in population in excess of one hundred fifty percent 27 of the state-wide three-year average violent crime rate for each one 28 29 thousand in population. The three-year average violent crime rate 30 shall be calculated using the violent crime rates for each of the preceding three years from the annual reports on crime in Washington 31 state as published by the Washington association of sheriffs and police 32 33 Moneys shall be distributed under this subsection (1)(a) chiefs. 34 ratably based on population as last determined by the office of financial management, but no city may receive more than one dollar per 35 36 Moneys remaining undistributed under this subsection at the 37 end of each calendar year shall be distributed to the criminal justice 38 training commission to reimburse participating city law enforcement

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- agencies with ten or fewer full-time commissioned patrol officers the cost of temporary replacement of each officer who is enrolled in basic law enforcement training, as provided in RCW 43.101.200.
- 4 (b) Sixteen percent shall be distributed to cities ratably based on 5 population as last determined by the office of financial management, 6 but no city may receive less than one thousand dollars.

The moneys deposited in the municipal criminal justice assistance account for distribution under this subsection shall be distributed at such times as distributions are made under ((RCW 82.44.150)) section 3 of this act.

Moneys distributed under this subsection shall be expended 11 exclusively for criminal justice purposes and shall not be used to 12 13 replace or supplant existing funding. Criminal justice purposes are defined as activities that substantially assist the criminal justice 14 15 system, which may include circumstances where ancillary benefit to the 16 civil justice system occurs, and which includes domestic violence services such as those provided by domestic violence programs, 17 community advocates, and legal advocates, as defined in RCW 70.123.020. 18 19 Existing funding for purposes of this subsection is defined as calendar 20 year 1989 actual operating expenditures for criminal justice purposes. Calendar year 1989 actual operating expenditures for criminal justice 21 22 purposes exclude the following: Expenditures for extraordinary events 23 not likely to reoccur, changes in contract provisions for criminal 24 justice services, beyond the control of the local jurisdiction 25 receiving the services, and major nonrecurring capital expenditures.

- 26 (2) In addition to the distributions under subsection (1) of this 27 section:
 - (a) Fourteen percent shall be distributed to cities that have initiated innovative law enforcement strategies, including alternative sentencing and crime prevention programs. No city may receive more than one dollar per capita under this subsection (2)(a).
- 32 (b) Twenty percent shall be distributed to cities that have 33 initiated programs to help at-risk children or child abuse victim 34 response programs. No city may receive more than fifty cents per 35 capita under this subsection (2)(b).
- 36 (c) Twenty percent shall be distributed to cities that have 37 initiated programs designed to reduce the level of domestic violence 38 within their jurisdictions or to provide counseling for domestic

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violence victims. No city may receive more than fifty cents per capita under this subsection (2)(c).

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3 (d) Ten percent shall be distributed to cities that contract with 4 another governmental agency for a majority of the city's enforcement services. 5

Moneys distributed under this subsection shall be distributed to those cities that submit funding requests under this subsection to the department of community, trade, and economic development based on criteria developed under RCW 82.14.335. Allocation of funds shall be in proportion to the population of qualified jurisdictions, but the distribution to a city shall not exceed the amount of funds requested. Cities shall submit requests for program funding to the department of community, trade, and economic development by November 1 of each year for funding the following year. The department shall certify to the state treasurer the cities eligible for funding under this subsection and the amount of each allocation.

The moneys deposited in the municipal criminal justice assistance account for distribution under this subsection, less any moneys appropriated for purposes under subsection (4) of this section, shall be distributed at the times as distributions are made under ((RCW 82.44.150)) section 3 of this act. Moneys remaining undistributed under this subsection at the end of each calendar year shall be distributed to the criminal justice training commission to reimburse participating city law enforcement agencies with ten or fewer full-time commissioned patrol officers the cost of temporary replacement of each officer who is enrolled in basic law enforcement training, as provided in RCW 43.101.200.

If a city is found by the state auditor to have expended funds received under this subsection in a manner that does not comply with the criteria under which the moneys were received, the city shall be ineligible to receive future distributions under this subsection until the use of the moneys are justified to the satisfaction of the director or are repaid to the state general fund. The director may allow noncomplying use of moneys received under this subsection upon a showing of hardship or other emergent need.

(3) Notwithstanding other provisions of this section, the 37 distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the 38

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- 1 county for costs associated with criminal cases under RCW $3.50.800 \ \mathrm{or}$
- 2 3.50.805(2), shall be made to the county in which the city is located.
- 3 (4) Not more than five percent of the funds deposited to the
- 4 municipal criminal justice assistance account shall be available for
- 5 appropriations for enhancements to the state patrol crime laboratory
- 6 system and the continuing costs related to these enhancements. Funds
- 7 appropriated from this account for such enhancements shall not supplant
- 8 existing funds from the state general fund.
- 9 **Sec. 10.** RCW 82.14.380 and 1999 c 311 s 201 are each amended to 10 read as follows:
- 11 (1) The distressed county assistance account is created in the
- 12 state treasury. ((Into this account shall be placed a portion of all
- 13 motor vehicle excise tax receipts as provided in RCW 82.44.110.)) At
- 14 such times as distributions are made under ((RCW 82.44.150)) section 3
- 15 of this act, the state treasurer shall distribute the funds in the
- 16 distressed county assistance account to each county imposing the sales
- 17 and use tax authorized under RCW 82.14.370 as of January 1, 1999, in
- 18 the same proportions as distributions of the tax imposed under RCW
- 19 82.14.370 for these counties for the previous quarter.
- 20 (2) Funds distributed from the distressed county assistance account
- 21 shall be expended by the counties for criminal justice and other
- 22 purposes.
- 23 NEW SECTION. Sec. 11. RCW 84.52.067 (State levy for support of
- 24 common schools--Disposition of funds) and 1967 ex.s. c 133 s 2 are each
- 25 repealed.
- NEW SECTION. Sec. 12. This act takes effect July 1, 2000.

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